

CHAPTER M21

FAMILY ACCESS TO MEDICAL INSURANCE SECURITY PLAN (FAMIS)

M21 Changes

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| TN #DMAS-16 | 4/1/20 | Appendix 1, page 1 |
| TN #DMAS-14 | 10/1/19 | Pages 4-6 |
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| TN #DMAS-2 | 1/1/17 | Appendix 1, page 1 |
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| TN #100 | 5/1/15 | Table of Contents Pages 1-7 Appendices 1 Pages 8-10 and Appendices 2 and 3 were deleted. |
| UP #10 | 5/1/14 | Pages 1-3 Appendix 1 |
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| UP #8 | 10/1/12 | Table of Contents Pages 2-4 Appendix 3 deleted |
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| UP #7 | 7/1/12 | Pages 3, 4 Appendix 2, pages 1 Appendix 3, pages 1 and 2 |
| UP #6 | 4/1/12 | Appendix 1 |
| TN #96 | 10/1/11 | Pages 3, 8 |
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| TN #94 | 9/1/10 | Page3 Appendix 3, pages 1 and 2 |
| UP #3 | 3/1/10 | Pages 2-5 |
| TN #93 | 1/1/10 | Page 2-4, 8 |
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M2100.000 FAMILY ACCESS TO MEDICAL INSURANCE SECURITY PLAN (FAMIS)

M2110.100 FAMIS GENERAL INFORMATION

A. Introduction

The Balanced Budget Act of 1997 created the State Children's Health Insurance Program, enacted as Title XXI of the Social Security Act, to provide funds to States to enable them to initiate the provision of child health insurance to **uninsured low-income children**.

FAMIS is not an entitlement program, which means that if funds for this program are exhausted, no additional individuals will receive benefits under the program. The Department of Medical Assistance Services (DMAS) will notify the Department of Social Services (DSS) Central Office if funds for this program run out.

Children found eligible for FAMIS receive benefits described in the State's Title XXI Child Health Insurance Program. Eligible children are enrolled for benefits effective the first day of the child's application month if all eligibility requirements are met in that month, but no earlier than the date of the child's birth.

Retroactive coverage is only available to an eligible child who was born within the 3 months prior to the FAMIS application month. Eligibility for FAMIS coverage will be effective retroactive to the child's date of birth if the child would have met all eligibility criteria during that time.

Eligibility for FAMIS is determined by either the local DSS, including a DSS outstationed site, or the Cover Virginia Central Processing Unit (CPU). *Approved* applications processed by the Cover Virginia CPU will be transferred to the appropriate local DSS for case maintenance.

B. Legal Basis

The 1998 Acts of Assembly, Chapter 464, authorized Virginia's Children's Health Insurance Program by creating the Children's Medical Security Insurance Plan for uninsured children under 19 years of age. In August 2001, the program was revised and renamed the Family Access to Medical Insurance Security Plan (FAMIS).

C. Policy

FAMIS covers uninsured low-income children under age 19 who are not eligible for Medicaid (children's Medicaid) and whose gross family income is less than or equal to 200% of the federal poverty level (FPL) for the individual's household size (see M2130.100 for the definition of the FAMIS household and Appendix 1 for the income limits).

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M2120.100 NONFINANCIAL ELIGIBILITY REQUIREMENTS

- A. Introduction** The child must meet, with certain exceptions, the Medicaid Nonfinancial Eligibility Requirements in chapter M02 and the nonfinancial eligibility requirements imposed by FAMIS.
- B. M02 Requirements** The nonfinancial eligibility requirements in chapter M02 that must be met for FAMIS eligibility are:
- the citizenship and alienage requirements, with the exception noted in M2120.100 C below;
 - Virginia residency requirements;
 - Provision of a Social Security Number (SSN) or proof of application for an SSN.
 - Assignment of rights to payment for medical care from any liable third party is a condition of eligibility for the child;
 - institutional status requirements regarding inmates of a public institution.
- C. FAMIS Alien Status Requirements** *Lawfully residing children under age 19 meet the FAMIS alien requirements without regard to their date of arrival or length of time in the U.S. The lawfully residing alien groups are contained in section M0220.314.*
- Exception to M02:**
- FAMIS does **not** provide emergency services only coverage for non-citizens who are not lawfully residing in the U.S., such as illegal aliens or those whose lawful admission status has expired. These aliens are not eligible for FAMIS
- D. FAMIS Nonfinancial Requirements** The child must meet the following FAMIS nonfinancial requirements:
- 1. Age Requirement** The child must be under age 19 for at least one day during the month. No verification is required.

A child no longer meets the age requirements for FAMIS effective the end of the month in which the child reaches age 19 years, provided he was under age 19 on the first day of the month. If the child was born on the first day of the month, his eligibility ends the last day of the month prior to the month he reaches age 19.
 - 2. Uninsured Child** The child must be uninsured, that is, he must not be covered under any health insurance plan offering hospital and medical benefits. See M2120.200.
 - 3. IMD Prohibition** The child cannot be an inpatient in an IMD.

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M2120.200 HEALTH INSURANCE COVERAGE

A. Introduction

The intent of FAMIS is to provide health coverage to low-income uninsured children. Eligibility for this program is prohibited when a child has creditable health insurance coverage, *except for a child who was enrolled in the Health Insurance Premium Payment (HIPP) Program while covered by Medicaid and who subsequently becomes income eligible for FAMIS.*

B. Definitions

1. Creditable Coverage

For the purposes of FAMIS, creditable coverage means coverage of the individual under any of the following:

- church plans and governmental plans;
- health insurance coverage, either group or individual insurance;
- military-sponsored health care;
- a state health benefits risk pool;
- the federal Employees Health Benefits Plan;
- Medicare
- a public health plan; and
- any other health benefit plan under section 5(e) of the Peace Corps Act.

The definition of creditable coverage includes short-term limited coverage.

2. Health Benefit Plan

“Health benefit plan” is defined in the Virginia Bureau of Insurance Regulations (14VAC5-234-30) and means:

- “any accident and health insurance policy or certificate,
- health services plan contract,
- health maintenance organization subscriber contract,
- plan provided by a Multiple Employer Welfare Arrangement (MEWA)”.

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Health benefit plan does not mean:

- Medicaid, FAMIS Plus, or State/Local Hospitalization;
- accident only;
- credit or disability insurance;
- long-term care insurance;
- dental only or vision only insurance;
- specified disease insurance;
- hospital confinement indemnity coverage;
- limited benefit health coverage;
- coverage issued as a supplement to liability insurance;
- insurance arising out of workers' compensation or similar law;
- automobile medical payment insurance; or
- insurance under which benefits are payable with or without regard to fault and that is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

3. Insured means having creditable health insurance coverage or coverage under a health benefit plan.

4. Uninsured means having no insurance; having insurance that is not creditable; having coverage which is not defined as a health benefit plan, or having a health insurance plan that does not have a network of providers in the area where the child resides.

C. Policy A nonfinancial requirement of FAMIS is that the child be uninsured. A child **cannot:**

- have creditable health insurance coverage;
- have coverage under a group health plan (TRICARE, federal employee benefit plan, private group insurance such as Anthem, etc.) or Medicare;

M2130.100 FINANCIAL ELIGIBILITY

A. Financial Eligibility

1. Asset Transfer Asset transfer rules do not apply to FAMIS.

2. Resources Resources are not evaluated for FAMIS.

3. Income **a. Countable Income**

FAMIS uses the MAGI methodology for counting income contained in chapter M04.

To the maximum extent possible, *attested* income must be verified by information obtained from electronic data sources, such as the federal hub or another reliable data source, prior to requesting paystubs or employer statements.

FAMIS uses MAGI methodology for estimating income (see chapter M04).

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b. Household Size

FAMIS uses MAGI methodology for determining household size (see Chapter M04).

c. Available Gross Income

Retroactive period (for newborns only) – available income is the gross income actually received in each month in the retroactive period.

Application month and ongoing months - available income is the average gross monthly income that is expected to be received in the application and ongoing months.

d. Income Limits

The FAMIS income limit is 200% of the FPL (see Appendix 1 to this subchapter) for the number of individuals in the FAMIS assistance unit. Per MAGI policy in chapter M04, a 5% FPL income disregard is applicable.

5. Spenddown

Spenddown does not apply to FAMIS. If the household's gross income exceeds the FAMIS income limits, the child is not eligible for the FAMIS program regardless of medical expenses.

M2140.100 APPLICATION and CASE PROCEDURES

A. Application Requirements

The policies in subchapters M0120 and M0130 apply.

B. Eligibility Determination

When an application is received and the child is not eligible for Medicaid due to excess income, determine eligibility for FAMIS. In order to complete an eligibility determination, both the FAMIS nonfinancial requirements in M2120.100 and the financial requirements in M2130.100 must be met

The applicant/enrollee must be notified in writing of the required information and the deadline by which the information must be received. Applications must be acted on as soon as possible, but no later than 45 days from the date the signed application was received.

C. Entitlement and Enrollment

1. Begin Date

Children determined eligible for FAMIS are enrolled for benefits effective the first day of the child's application month if all eligibility requirements are met in that month, **but no earlier than the date of the child's birth.**

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2. Retroactive Coverage For Newborns Only

Retroactive coverage is available ONLY to an eligible child who was born within the 3 months prior to the FAMIS application month. Eligibility for FAMIS coverage will be effective retroactive to the child's date of birth if the child was born within the retroactive period and would have met all eligibility criteria during the retroactive period.

The following eligibility requirements must be met in order for a newborn child to be enrolled in FAMIS for retroactive FAMIS coverage:

- Retroactive coverage must be requested on the application form or in a later contact.
- The child's date of birth must be within the three months immediately preceding the application month (month in which the agency receives the signed application form for the child).
- The child must meet all the FAMIS eligibility requirements during the retroactive period.

3. FAMIS Aid Categories

The aid categories (ACs) for FAMIS are:

| AC | Meaning |
|-----|--|
| 006 | child under age 6 with income $> 150\%$ FPL and $\leq 200\%$ FPL |
| 007 | child 6 – 19 with income $> 150\%$ FPL and $\leq 200\%$ FPL |
| 008 | child under age 6 with income $> 143\%$ FPL and $\leq 150\%$ FPL |
| 009 | child 6 – 19 with income $> 143\%$ FPL and $\leq 150\%$ FPL |
| 010 | FAMIS deemed newborn < 1 year old |
| 014 | FAMIS deemed newborn above 150% FPL |

D. Notification Requirements

The eligibility worker must send a Notice of Action on Medicaid and FAMIS to the family informing them of the action taken the application. The notice must include the eligibility determination for both Medicaid and FAMIS.

If the child is ineligible for both Medicaid and FAMIS, the family must be sent a notice that the child is not eligible for either program. A referral to the Health Insurance Marketplace must be made, and the child must be given the opportunity to have a Medicaid medically needy evaluation if he is under 18 years. Along with the notice, request verification of resources using Appendix E, which can be found at: <http://www.coverva.org/mat/APPENDIX%20E%20Medically%20Needy%20application.pdf> (Application for Health Insurance and Help Paying Costs (Medical Needy Spenddown). Advise the family that if the signed application is returned within 10 calendar days, the original application date will be honored.

E. Transitions Between Medicaid And FAMIS (Changes and Renewals)

When excess income for Medicaid causes the child's eligibility to change from Medicaid to FAMIS, the new income must be verified *or determined reasonably compatible* using an electronic data source such as the federal Hub or another reliable data source prior to requesting paystubs or employer statements. *For all case actions effective October 26, 2019, if the income attested to by the applicant is within 10% of the income information obtained from electronic sources OR both sources are below the applicable income limit, no additional verification is required. If the reasonable compatibility standard is not met, request verification of income and allow a minimum of 10 days to return.*

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F. FAMIS Select

Under the FAMIS program, a family, whose child(ren) are determined eligible for FAMIS and who has access to health insurance through an employer or wishes to purchase a private policy, has the option of enrolling the family in that health plan. “FAMIS Select” allows the choice of the private or employer’s insurance instead of FAMIS. Children enrolled in FAMIS whose families have access to private or employer sponsored health insurance coverage may qualify to have the State pay part of the family’s share of the health insurance premium.

If a child is enrolled in FAMIS and the family is interested in more information about FAMIS Select (and has access to health insurance), they may contact DMAS about the benefits of enrolling in the FAMIS Select component of FAMIS and information about how to participate in the program. Participation in the FAMIS Select component is voluntary.

G. 12-Month Continuous Coverage

Children under age 19 who are enrolled in FAMIS are entitled to 12 months of continuous coverage provided the family continues to reside in Virginia and the family income is less than or equal to 200% of the FPL.

Children enrolled in FAMIS who subsequently apply for Medicaid and are found eligible must have their FAMIS coverage cancelled so they can be reinstated in Medicaid.

H. Renewal Period Extension For Declared Disaster Areas

Effective January 1, 2017, if the Governor or the Federal Emergency Management Agency (FEMA) declares Virginia or any area in Virginia to be a disaster area, children enrolled in FAMIS who reside in the declared disaster area may be granted a 90-day extension of the continuous coverage period before their next renewal is due.

The extension of the renewal period applies only to children in a declared disaster area (1) for whom an ex parte renewal cannot be completed and (2) who do not return a renewal form or complete an online or telephonic renewal prior to the renewal due date.

The next 12-month continuous eligibility period begins the month after the renewal completion date.

M2150.100 REVIEW OF ADVERSE ACTIONS

A. Case Reviews

An applicant for FAMIS may request a review of an adverse determination regarding eligibility for FAMIS. FAMIS reviews follow the procedures established by Medicaid for client appeals (see chapter M16).

The payment of medical services on the part of any child or any right to participate in the program is not subject to review if funds for FAMIS are exhausted.

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**FAMILY ACCESS TO MEDICAL INSURANCE SECURITY PLAN
(FAMIS)
INCOME LIMITS
ALL LOCALITIES

EFFECTIVE 1/17/20**

| # of Persons in FAMIS House- hold | FAMIS 150% FPL | | FAMIS 200% FPL | | |
|--|-------------------|----------------|-------------------|----------------|---|
| | Annual Limit | Monthly Limit | Annual Limit | Monthly Limit | 205% FPL (200% FPL + 5% FPL Disregard as Displayed in VaCMS) |
| 1 | <i>\$19,140</i> | <i>\$1,595</i> | <i>\$25,520</i> | <i>\$2,127</i> | <i>\$2,181</i> |
| 2 | <i>25,860</i> | <i>2,155</i> | <i>34,480</i> | <i>2,874</i> | <i>2,946</i> |
| 3 | <i>32,580</i> | <i>2,715</i> | <i>43,440</i> | <i>3,620</i> | <i>3,711</i> |
| 4 | <i>39,300</i> | <i>3,275</i> | <i>52,400</i> | <i>4,367</i> | <i>4,477</i> |
| 5 | <i>46,020</i> | <i>3,835</i> | <i>61,360</i> | <i>5,114</i> | <i>5,242</i> |
| 6 | <i>52,740</i> | <i>4,395</i> | <i>70,320</i> | <i>5,860</i> | <i>6,007</i> |
| 7 | <i>59,460</i> | <i>4,955</i> | <i>79,280</i> | <i>6,607</i> | <i>6,773</i> |
| 8 | <i>66,180</i> | <i>5,515</i> | <i>88,240</i> | <i>7,354</i> | <i>7,538</i> |
| Each add'l, add | <i>6,720</i> | <i>560</i> | <i>8,960</i> | <i>747</i> | <i>766</i> |